

# **Afghanistan - Governance Advisory Services for the Afghanistan Stabilization Program**

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## **FINAL TASK ORDER REPORT (July–November 2004)**

*Prepared for:* U.S. Agency for International Development



*Submitted by:* **ARD, Inc.**  
159 Bank St., Ste. 300  
Burlington, Vermont 05401

Work Order No. 3  
Rapid Response Task Order No. 01  
USAID Contract No. AEP-I-00-00-00016-00  
IQC for Decentralization, Participatory Government, and Public Management

**December 2004**

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# 1.0 Introduction

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This report describes the activities of the Afghanistan Governance Advisory Services project, a five-month contract (USAID Contract No. AEP-I-00-00-00016-00) awarded to ARD, Inc. through the “rapid response” task order for the Decentralization, Participatory Government, and Public Management IQC. ARD implemented the contract with a team of two consultants (Mark Levenson and Nezam Motabar) from July through November of 2004. Coincident with the completion of this task order, ARD and USAID/Afghanistan initiated start-up of the two-year Afghanistan Local Governance Project which will continue some of the activities begun during the five-month task order. This Final Report therefore not only summarizes the task order team’s activities and accomplishments, but also makes an effort to identify some of the challenges that the Local Governance Project might face, and provides recommendations to address those challenges.<sup>1</sup>

The Governance Advisory Services assignment was developed to provide immediate, short-term assistance to the Program Management Unit (PMU) of the Afghanistan Stabilization Program (ASP). The ASP (which is designated a national priority program by the Government of Afghanistan) is one of 15 high priority programs running in parallel and intended to work in an integrated fashion to move Afghanistan forward along the relief-to-development continuum. As a national priority program, overall strategic direction for the ASP is provided by an Inter-Ministerial Task Force to ensure coordination of activities with broader government policies and objectives, avoid duplication of efforts between different national programs, and ensure effective communication between participating ministries. The PMU bears responsibility for managing the operations of the ASP under the direction of the task force and in conjunction with its lead ministry, the Ministry of Interior. The PMU is also tasked with ensuring the compatibility and complementarity of ASP initiatives with those of parallel national priority programs.

USAID’s support to the ASP is meant to strengthen the PMU by providing the assistance of technical advisors, and by helping to develop and implement a governance program that will deliver immediate and visible benefits at the district and provincial levels. In doing so, the program will both bolster the authority and standing of local government and strengthen linkages between national and subnational institutions. The four primary components of the ASP local governance strategy (financial and administrative reform, human resource development and training, the Provincial Stabilization Fund, and district infrastructure development) are designed to contribute to this overall objective.

The ARD Governance Advisory Services team assisted with the immediate tasks required to develop and establish the PMU’s capacity in training, administrative reform, and financial management and procurement. The team also facilitated implementation of the district infrastructure program and the Provincial Stabilization Fund. Both of these public works activities require training, capacity building, and financial management expertise that is not readily available in Afghanistan.

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1 Initially, ARD’s contract was for three months (July through September). Contract terms were revised in August and an extension was given through November in part to ensure sufficient overlap with the two-year project team. The additional time proved essential for continuity of the overall program.

Over the course of the five-month task order, much progress was made toward the establishment of a functioning, fully staffed PMU. During a period of transition within ASP management, the ARD advisors were also able to provide a degree of continuity while permanent ASP/PMU staff were appointed, and the two-year USAID advisory team was mobilized through the Local Governance Project. The five-month contract was therefore able to act as an important bridge, providing not only ongoing training, capacity building, and financial/procurement management systems support, but also programmatic and management advice and assistance to PMU senior management. The ASP PMU is evolving and becoming more proactive in its efforts, and the ARD consultant team was able to serve a pivotal role during this period.

## **2.0 Summary of Activities and Results**

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At the outset of the Afghanistan Governance Advisory Services activity, the ARD team prepared an Inception Report and Work Plan. As a result of discussions with USAID, the final list of activities included in the work plan for the two-person consultant team included the following.

### ***Training and Capacity Development***

- Conduct an organizational and training needs assessment in consultation with the Independent Administrative Reform and Civil Service Commission.
- Assess capacities of training providers in Afghanistan, and in the region.
- Work in close consultation with the civil service reform commission to ensure consistency and complementarity with civil service training programs and civil service reform initiatives.
- Begin to identify the PMU's organizational and training needs.
- Help to establish (and begin training) the PMU training team.
- Plan for developing the capacity of the local training sector.
- Draft a training and capacity-building needs assessment.
- Address other tasks related to training and organizational capacity building as identified by the consultants and the PMU management team.

### ***Financial Management/Procurement***

- Develop a system that interfaces as simply as possible with the government's existing financial management system (FreeBalance).
- Assure that the system developed can provide reports organized by economic classification of expenditure (in line with the chart of accounts in use by the Ministry of Finance), donor, commitments, disbursements, and location.
- Assure that the system includes clear and simple voucher and ledger systems that can be readily completed and managed by the ASP/PMU finance team.
- Help to generate the required reports.

The results of these tasks are as follows.

## *Training and Capacity Development*

- The Training and Capacity Building Strategy Paper was drafted by the Training and Capacity Building/Administrative Reform Department and was adopted by the civil service reform commission and the ASP. The strategy addresses a training implementation plan, the sequencing of rollout, key training curricula, and planned training modalities (e.g., on-the-job, taking courses to districts/provinces, training in Kabul, and training in neighboring countries). The Training Department continues to pursue a work plan laid out in the pilot training strategy which employs a variety of approaches in an effort to discover cost-effective and efficient training delivery mechanisms for subnational public servant training.
- Ongoing coordination with key ASP stakeholders was institutionalized. Coordination mechanisms were internally established to verify compliance with the national civil service training strategy, and to delineate the contributions that each institution (e.g., the Ministerial Advisory Council on Public Administration Reform, the civil service reform commission, the ASP, etc.) will make to advance this strategy.
- Using the Public Administration Reform Model provided by the Independent Administrative Reform and Civil Service Commission, a prototype training needs assessment tool was developed and assessments were conducted at the provincial and district levels. The results of these assessments guided coursework development for the 16-day workshop held in Kabul in October for district administrators and line ministry officials.
- Field trips were organized to collect information for the training needs assessments. In September, a team from the Training Department collected data from the six districts that were targeted in the pilot training work plan. The team used a questionnaire developed by the Training Department to ascertain staffing profiles of the existing district administration; i.e., number of employees, position description, education levels, training needs, etc.
- Coordination between the ASP and the various provincial reconstruction teams improved. The provincial teams were extremely helpful for obtaining district administration information for the ASP's training needs assessments.
- The Training Department organized a 16-day training course for 63 key civil servants representing districts in the provinces of Kabul, Logar, Paktya, Ghazni, Parwan, Bamyán and Baghlan. The courses were held at the Police Academy in Kabul and were conducted by BRAC Training Institute Afghanistan.
- The Training Department, in coordination with the World Bank, organized a one-day Public Administrative Reform Workshop on October 31 at the Ministry of the Interior. The workshop focused on the sequencing and coordination of administrative reform actions, and the integration of ASP construction interventions.
- At the beginning of the task order, the ARD team was confronted with nearly nonexistent PMU human resources in training and in financial management and procurement. The ARD advisors worked in tandem to successfully identify, recruit and hire officers to fill senior positions, strengthening the PMU's human resources capacity. All four senior positions filled

were essential to energize implementation of the ASP's overall strategy. The ARD advisors' support for the hiring process was significant.

- The ARD team developed and finalized terms of references for staff, prepared vacancy announcements for positions, reviewed CVs, helped assemble interview panels, designed an interview question matrix and prepared interview questions, played a lead role during interviews, and prepared the minutes of the meetings of the evaluation committee.
- The Senior Finance Officer (replaced by Chief Financial Officer position) recruitment was completed by early September.
- Senior Training Department staff were hired, including the Training Manager and three Training Officers.
- With the exception of the overall PMU Project Manager, all other senior PMU positions were filled and staff began work by late September.

### ***Financial Systems Development***

- In regard to budget preparation, the ARD advisor developed MS Excel-based programs for preparation of the annual budget for each of the components at the PMU, conducted workshops for the managers and held individual consultations with the staff for completion of the budget preparation module.
- These Excel-based programs enable the PMU to prepare a Development Budget, in line with the government's financial management regulations, and a Project Budget, in line with the requirements of donors. The Excel-based program can also provide useful data for analyzing and reporting on the program's progress towards meeting its development objectives. With the assistance of the advisor, the PMU was able to establish a deadline (December 1, 2004) for both the preparation of the budget for the remainder of the current fiscal year, and for the whole of the next fiscal year.
- In regard to budget execution, the ARD advisor developed an MS Excel-based accounting and financial reporting program for budget execution, implemented the Ministry of Finance's latest Chart of Accounts in the accounting system, and developed an integrated complimentary Chart of Accounts for project and contract management at the PMU. The advisor also provided assistance on implementation and development of further policies and procedures for financial management and planning with respect to government accounting, project and contract accounting, and fund accounting. The advisor conducted workshops for the managers and held individual consultations with the staff to complete the budget preparation module.
- The budget execution Excel-based programs enable the Finance Department at the PMU to prepare, through use of the Pivot Table, reports in the format required by or for submission to the Ministry of Finance and other governmental entities, the Inter-Ministerial Task Force and ASP (PMU) management, and current and potential donors. The programs also allow the Finance department to prepare training materials and arrange workshops.

- The ARD advisor provided support for the appointment of the Senior Procurement Officer, and developed an Excel-based program and forms for procurement activities. As a result, a structured approach to procurement was introduced.

### ***Other Duties as Assigned***

- Other tasks undertaken during the assignment included collaboration with PMU leadership to develop a National Priority Program Strategy for ASP, review and comment on programmatic documents provided by the Ministry related to vision and establishment of the ASP, and substantive inputs related to ASP seminars and inter-agency meetings.
- The USAID/ARD training advisor participated as a member of the Ministry of Interior Reform Task Force. By doing so, an institutional memory of administrative reform issues has been catalogued and incorporated into ASP policies.
- By the completion of the task order, the ASP PMU had nearly completed construction of six District Administration buildings, with a further 30 under contract, and another 40 in the tender process. The Provincial Stabilization Fund was established to provide resources to the Provincial Governors Offices for sub-projects. The Fund has offices in each province and ASP Provincial Advisors started working closely with the provincial centers to coordinate proposed development programs.

## **3.0 Issues and Recommendations**

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The Governance Advisory Services task order was USAID's initial effort to provide support to, most specifically, the ASP, and more generally, the development of an improved local governance system in Afghanistan. As such it helped establish a foundation for the two-year USAID-funded Local Governance Project. This section summarizes key issues the task order team believes may affect the Local Governance Project's progress. It also provides recommendations for resolution of those issues.

Several key issues can be summarized, as follows.

1. The ASP has the potential to be a dynamic and exciting program that seeks creative approaches to revitalize and energize district and provincial governance and civil service across Afghanistan. To fully take advantage of this potential, however, managerial shortcomings, both in regard to leadership and organizational structure, must be rectified. Management structural problems have impeded the ability of ASP sub-programs to connect with one another, and have also harmed the ability of the program to coordinate with other agencies. Resolution will require not only strong leadership but also improved management practices (e.g., regular staff meetings) and clear and coherent direction provided for all ASP initiatives; coordination within the PMU must be fostered and the sense of "disconnectedness" eliminated.
2. The management changes that occurred within the ASP during the past several months illustrate the tenuous nature of the organization. The impact of these changes on ASP

activities, and on the activities of the Local Governance Project, will to a large degree depend on whether the major actors and donors can develop a flexible and realistic strategy that responds to the evolving working environment within the ASP. ARD's assistance for development of financial management and procurement procedures will play a major role in the assistance strategy. There have been suggestions of irregularities in the ASP contracting and procurement process and therefore a review of sitting committees for bid reviews and a separation of documents, reports and findings from executive and procurement offices is in order.

3. At the same time, the Provincial Stabilization Fund and district infrastructure department activities are outpacing the “software side” of the ASP program. That is, construction and infrastructure development are outpacing the training, capacity building, and administrative reform components of the ASP. Donors are expressing concerns that the “software” element may fall irretrievably behind the construction and infrastructure elements. This is contrary to the holistic approach to district and provincial development that ASP was designed to support. There needs to be a renewed emphasis on training and capacity building, not only to bring it up to speed with the provincial fund and the district infrastructure department initiatives, but to actually sling-shot it ahead so that the local government buildings, once completed, are occupied with qualified, trained staff.
4. There is now a tentative consensus that the ASP must rapidly evolve into a provincial reform program, focused on providing support for the Governor’s office first, and subsequently districts. Each province would be provided with a basic package including Provincial Stabilization Fund transfers, publicity campaign material, and communication equipment. Furthermore, the package of reform incentives will shift from an “infrastructure first” policy to an emphasis on provincial reform and restructuring and capacity building, followed by investment in appropriate infrastructure wherever possible. Where district infrastructure has already been constructed in particular provinces, capacity building and civil service reform support should also be provided.
5. This consensus towards provincial-level reform, which is gaining increased interest in the World Bank and among other donors, has been an underpinning premise for the Training and Capacity Building Department’s approach from the beginning of the ASP. To date the absence of management approval for this strategy has thwarted the necessary prioritization. The World Bank’s insistence that provincial reform take precedence over district activities may now, at least in the short-run, help the ASP to better rationalize its resources and focus its energies and thus develop its strengths in the areas of administrative reform and administrative capacity development. In the long run, continued attention must be given to district initiatives if true administrative reform is to be achieved as envisaged by the ASP and USAID programs.

The following provides suggestions for activities that could respond to these and other issues.

- As a result of renewed focus on Provincial Administrative/Governor’s offices, an assessment is necessary to ascertain competencies and capacities to better target training and administrative reform interventions. This would include a systems analysis to better understand how work is done, paper moves and orders are given at the provincial level. A similar assessment being conducted at the district level should continue.

- The Training and Administrative Reform Department must “flesh out” existing training coursework and begin to integrate similar programmatic material obtained from the Independent Administrative Reform and Civil Service Commission’s Training Institute, public administration faculties in Kabul, and NGOs conducting civic education training and constitutional orientation classes, in an effort to consolidate and standardize public administration curricula and attendant manuals/publications.
- Due to the inability of training providers to meet the ASP’s long-term training objectives, the training department should consider the creation of a “training of trainers” capacity within the ASP.
- The remaining training provision models set forth in the Pilot Training Plan must be tested and evaluated promptly in order to assess their suitability for long-term training application. Likewise, all completed training interventions must be monitored and evaluated.
- The Training Department must actively engage with other departments within the ASP to coordinate activities.
- The most appropriate role for USAID’s Local Governance Project, given the challenges that exist in shaping the subnational governance paradigm, may be to support initiatives that apply a balanced approach to provincial and district administrative reform and infrastructure construction. Both administrative reform and infrastructure development must be accomplished while also exerting donor influence on increased transparency, accountability and rationality at the ministerial level. Without progress in these areas, Afghanistan’s governance systems will remain prone to corruption, will frustrate progress of the National Priority Programs, and most importantly, the government’s legitimacy will continue to decline.
- USAID can help promote the ASP and its successes by helping the program with public relations and public outreach activities. These activities could include promotion of rehabilitation of existing structures, and cost sharing with NGOs and provincial reconstruction teams. Donors would be reassured if the ASP district infrastructure component was actively seeking cost-effective avenues for the construction of administrative complexes. Likewise, the Provincial Stabilization Fund needs to internalize the fact that the real focus of its activities is capacity building; i.e., the creation of a transparent and accountable mechanism within the Governor’s office for the disbursement of funding. USAID could help the ASP to convey a message focused on process and capacity building, versus bricks and mortar.
- PMU compliance with financial management regulations that are largely either outdated or simply nonexistent—especially in light of current financial management and planning reporting requirements—is becoming increasingly difficult. Resolving the issues that constrain orderly and effective financial management and planning at the PMU is an urgent ASP priority.

- In regard to budget preparation, there is a need for further development and implementation of detailed guidelines on accounting and financial procedures for the proper and complete preparation of a development budget and project budgets. This would include introduction and implementation of procedures for regular reviews to ensure application and compliance with the developed program. In the near future, a workshop should be held on developing reporting formats by using Pivot Tables. Reports should include quarterly Financial Management Reports and the annual Project Financial Statements. Afterwards, an assessment should be conducted to determine the financial management and planning training needs, and to develop a Training Plan.
- USAID's activities could reinforce the need for continued communication, consultation, and coordination between the donors with respect to policies on financial management and planning. Possible areas for donor harmonization of such financial management and planning arrangements include implementation of joint projects, integrated planning and support, and institution of a mechanism for regular monitoring.
- In regard to budget execution there is a need to develop an agreed-upon set of policies and procedures on budget execution that are responsive to the needs and objectives of the ASP. These would include, for example, policies to establish clear lines of authority and responsibility for types and amounts of expenditures, and development of reporting formats with the Ministry of Finance, the Inter-ministerial Task Force, and current donors. An immediate requirement is authorization for the PMU to institute financial management and planning policies and procedures in those cases where clearly defined procedures are not yet issued by the Ministry of Finance.
- To monitor and control budget execution, one possibility is to introduce an Internal Audit Department at the PMU to ensure effective implementation of policies and procedures as well as a system of internal controls. This suggestion could serve as a point of discussion among all stakeholders.
- In regard to ex-ante, pre-audit control, it is important that a clearly defined system, and policies for internal control be established by the Ministry of Finance, and for procedures and processes to then be introduced at the PMU. This could also serve as a point of discussion with the Ministry, as well as among the donors.
- Arrangements should be made for performance of ex-poste control, external audits, as required by the laws of Afghanistan, and in line with the requirements of donors and the covenants of grant agreements. Conducting such audits will require that the audit arrangements of donors are harmonized.
- In reference to procurement, the Administration Department, which has responsibility for procurement activities, requires additional logistical support. Most importantly, clear and comprehensive procurement policies must be developed and the Administration Department must be trained in these procedures.
- Generally speaking, further development and use of manuals of operations would greatly support and strength the operations of the PMU. Specifically, procedures should be instituted

for regular monitoring and evaluation of project progress and completion. In addition technical assistance should be provided to develop and implement a Project Implementation Plan (PIP) in line with the requirements of the donors.

## 4.0 Conclusion

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ASP initiatives, in tandem with the Priority Reform and Restructuring process, complement and strengthen the national government's efforts to reestablish a competent, efficient civil service sector. Over the next three years, a primary objective of the project will be to accelerate reform, recruitment and training at the subnational level and to provide a range of public administration-based training to officials in 363 districts and 34 provinces.

The ASP embraces integrated governance and reconstruction efforts at the subnational level in coordination with military, law and order, disarmament, demobilization and reintegration operations. The goal is to harmonize a broad range of plans and strategies to rebuild and stabilize the districts and provinces of Afghanistan, to improve security and governance across the country and to engender greater confidence in the capacity of the government to improve the lives of people around the country.

The challenge of USAID's projects, both the completed Government Advisory Services task order and the recently begun Local Governance Project, is to integrate technical assistance, training, and the delivery of resources in a way that will deliver immediate and visible improvements in daily life, while simultaneously strengthening institutions and promoting democratic governance. Systems reform and capacity development must have dual objectives—efficiency and effectiveness on the one hand, and accountability, transparency and responsiveness on the other.

## **Attachments**

**Attachment I:** Inception Report  
**Attachment II:** ASP Training and Capacity Development Strategy Paper  
**Attachment III:** ASP Pilot Training Project

### ARD Advisory Team

#### Inception Report

##### **Organizational Setting**

The Afghanistan Stabilization Program (ASP) is an inter-ministerial program involving the Ministries of Finance, Interior, Urban Development, Communications, Rural Reconstruction and Development, and the Independent Administrative Reform and Civil Service Commission (IARCSC). From these, an Inter-ministerial Task Force (IMTF) has been established. The responsibilities of the IMTF are to provide direction to, and guidance for, the Program Management Unit (PMU) of the ASP.

The PMU has direct responsibility for managing and implementing four elements of the governance component (in collaboration with responsible Ministries, donors and other organizations) in an effort to extend the central government's influence to provincial and district levels. The elements are financial and administrative reforms, human resources development and training, a provincial stabilization fund, and district infrastructure development. A number of other projects will be managed by existing implementation teams in parallel with the activities of the PMU. The PMU role for these projects will be to ensure that they are progressing smoothly, and to link these activities to the other activities of the ASP.

An advisory team will assist with the immediate tasks required to help develop and establish the PMU, and to facilitate implementation of the district infrastructure program and the provincial stabilization fund. These public works activities will require training, capacity building, and financial management expertise not readily available in-country. USAID is funding this support through a contract with ARD, Inc. USAID, under Rapid Response Assistance, has provided an expatriate team of two advisors to address this request. The advisory team began work on 7 July 2004. For ease of reporting, the ASP Training and Capacity Development and the Financial Systems Development components have been combined in this document.

##### **Part 1: Training and Capacity Building Component**

The Terms of Reference (ToR) for the Capacity Building Specialist/Team Leader state that: he/she will work in collaboration with the PMU Director, and other key team members, to conduct a series of tasks. Specific tasks and objectives will be defined during the team mobilization period but could include, for example, the following:

- Conduct an organizational and training needs assessment (in consultation with the IARCSC);
- Assess capacities of the local and regional training sector;
- Work in close consultation with the IARCSC to ensure consistency and complementarity of civil service training programs and civil service reform initiatives;
- Begin to identify PMU organizational and training needs;
- Help to establish (and begin training) the PMU training team;

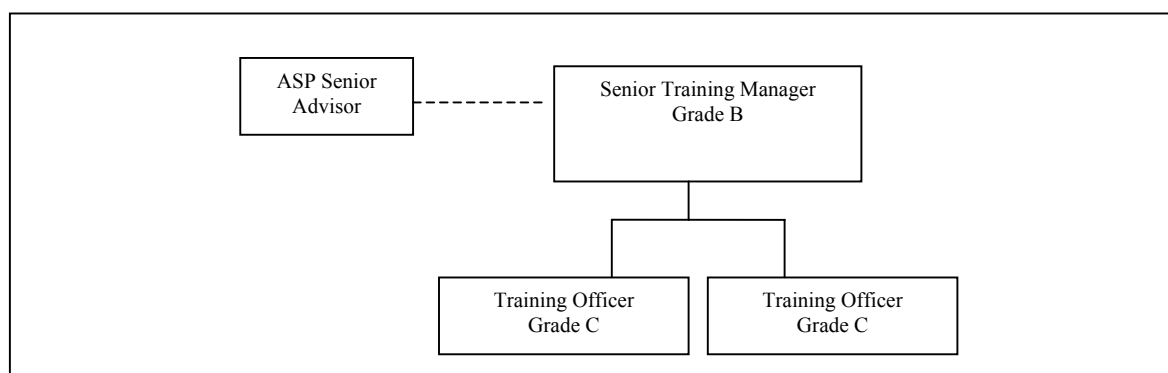
- Plan for developing capacity in the local training sector;
- Draft a training and capacity building needs-assessment; and,
- Other tasks related to training and organizational capacity building as identified by the consultant and the PMU management team.

It is clear, given the present environment at the ASP that requires “fast-tracking” of all project components that modifications to the ToR should be made to ensure a realistic workplan can be agreed upon. These changes to the ToR are contingent upon agreement by ASP leadership, USAID and ARD.

With anticipated changes in mind, a detailed strategy for the ASP Training and Capacity Development Department’s long-term training project has been prioritized within a modified terms of reference, as one of the USAID Technical Assistance Advisor’s tasks. At this time, some preliminary concepts have been developed. The project will place a priority on the recruitment and hiring of a suitably qualified team to manage programmatic strategy development and implementation within the ASP PMU.

The ASP Training and Capacity Development Department, in close co-ordination with the IARCSC and IARCSC Training Institute, will begin development of an approved training package that embraces a range of general and specialized training. Work will also begin on the identification of third-party training providers, preferably locally based organizations or contractors, to deliver a provisional training package to civil servants at the subnational level.

Additionally, an integrated training program that targets internal ASP PMU administrative, financial and procurement staff will be developed, to the extent possible given existing staffing levels (see following organizational chart), in lockstep with other capacity building and training initiatives. This training will include an ongoing review of ASP PMU procedures, rules and regulations, updated periodically, to ensure all PMU personnel are familiar with administrative and financial systems. At this point in time, while recruitment has begun, no staff positions have been filled.



Recognizing that at some point in the future a comprehensive nation-wide training needs-assessment will be required by the IARCSC and Training Institute, in order to energize the ASP’s initiative, two basic needs-assessments will be conducted. The first one will measure the capacity of the provincial and district civil service sector, and the second will identify and assess

the capacity of potential in-country contractors to deliver training packages. These will be swiftly translated into a clearly articulated set of provisional training “targets” and an outline of training to be provided.

To date, the following has been completed in a compressed time-frame by the USAID/ARD full-time training advisor who is now in place and working to establish the strategy and recruit the full training project team. Key activities completed and ongoing targets include:

- Training project strategy paper drafted and being finalized. It addresses training strategy, sequencing, implementation/project/resourcing plan, key training curricula to be addressed, and planned training modalities (e.g. on-the-job, taking courses to districts/provinces, training in Kabul, and training in neighboring countries).
- Coordination with key stakeholders is being fostered. Coordination mechanism are being established to confirm national civil service training strategy, and the contributions that each player will make to this strategy (reporting hierarchy: MAC, IARCSC, IARCSC Training Institute, ASP).
- Recruitment for ASP PMU Training and Capacity Building Department staff has begun, with three ToRs finalized and vacancy notices posted. The final interviewing processes, contract negotiations and hiring are expected to take place in first days of August.

### **Training and Capacity Development Work Plan**

The Work Plan for ARD’s provision of training and capacity development technical assistance to the ASP PMU is organized in four phases: an Inception Phase, an Execution Phase, An Analysis & Reporting Phase and a Finalization Phase. It should be noted that the Consultants consider the project-reporting period to be started on July 8<sup>th</sup> 2004.

#### ***Inception Phase (2-3 weeks)***

- Mobilization (renting guesthouse and office, purchase of office equipment, rental of transport, hiring support staff)
- Study of available documentation, meet with appropriate counterparts
- Preparation of Workplan
- Drafting and refinement of Strategy Paper for ASP Training component
- Developing Terms of Reference for proposed staff of Training and Capacity Building Department
- Beginning recruitment of permanent Training and Capacity Building Department staff
- Preparation and submission of the Inception Report

#### ***Execution Phase (6-8 weeks)***

- Hiring and beginning training of departmental staff
- Execution of preliminary background survey work: cursory need-assessments for training needs of district/provincial officials, identification of possible service providers for training, coordination within collaborating partners
- Finalization of overall strategy for project implementation
- Identification of priority provinces and districts in accordance to established selection criteria

- Provision of feedback on these items to the Review Panels (IMTF, ASP PMU, USAID)
- Preparation of brief intermediate reports (re: ToR USAID; progress, results, problems)

### ***Analysis and reporting Phase (1 week)***

- Preparation of all thematic documents
- Preparation of the Detailed Project Implementation Plan and notional budget
- Provision of feedback on these items to the Review Panels
- Identification of issues for resolution and action plan

### ***Finalization Phase (4 days)***

- Incorporation of comments in the Final Detailed Implementation Plan
- Writing Preparation Phase Report of the Mission
- Presentation(s) of the outcome of the project to all involved parties (feedback). This will be a national one or two-day seminar.
- De-mobilization

## **Part 2: Financial Systems Development Component**

**Clarification of the ToR for the Financial Management (FM) of the PMU.** There are basically two major options in dealing with the FM of the PMU: 1) implementation of the current ToR, or 2) the establishment of a fully functioning finance and procurement department. Each option is discussed in detail below:

### ***2.1 Option 1: Financial Management System (FMS) Development***

The first option would be to implement the existing ToR, under Exhibit B of the Contract with ARD relating to Financial Management System (FMS) Development.

The ToR of the Financial Advisor for the accounting system specifies that the system:

- Interfaces as simply as possible with the government's existing financial management system (FreeBalance);
- Include clear and simple voucher and ledger systems that can be readily completed and managed by the finance team; and,
- Generate the required reporting information.

In developing the financial system, the general requirements for the system would be that it provides reports by:

1. Economic classification of expenditure, in line with the chart of accounts in use by the Ministry of Finance (MoF)
2. Donor,
3. Commitments,
4. Disbursements and
5. Location

Meetings were held with officials and advisors of the ASP (PMU), as well as those at the MoF, to discuss the development of an accounting system that would meet the requirements of the ASP (PMU) as well as those of the MoF. In general, three alternatives were discussed. These alternatives are described further below. The consensus was that an Excel-based system would respond best to the needs of all the stakeholders and would be suitable for use given the technical capability and capacity at the ASP (PMU) at this juncture. The MoF is in the process of reviewing the overall architecture of its Financial Management Information System. The Excel-based system is very flexible and should still remain relevant and suitable for use irrespective of the financial system in use at the MoF.

The Excel-based system that the team proposes to develop will be based on development of a database spreadsheet in Excel and then building a pivot table around it. The pivot table has the capability to provide reports to meet the requirements of all the stakeholders, namely and mainly: (i) the MoF and other government organizations, (ii) the ASP (PMU) management team and the Inter-governmental Task Force, and (iii) current and potential donors and partners in development. Since the Excel-based environment has an open-ended feature, it will allow the addition of other classifications and variables on an as needed basis to respond to the particular requirements of any donor and partners in development. Furthermore, the system will have the capability to present the information using diagrams and charts.

The proposal to develop an Excel-based system is pursuant to the consideration of alternatives as detailed below:

#### **2.1.1 First Alternative: Use of Free Balance**

In discussions with the advisors at the ASP (PMU) as well as the Treasury Department of the MoF, the consensus was that use of FreeBalance is not a practical alternative at this juncture as there are mobilization issues, including copyright considerations and the lack of availability of staff familiar with the software.

#### **2.1.2 Second Alternative: Use of Off-the-shelf Software**

This alternative would rely on the use of off-the-shelf accounting software for accounting and financial reporting to the MoF, and an Excel spreadsheet for reporting to the donors. Here again, the consensus was that use of off-the-shelf is not a practical alternative at this juncture as it would be difficult to ensure availability of staff familiar with the software and ease of access/use to after-sale services and technical information.

#### **2.1.3 Third Alternative: Development of an Excel-based Program for Project and Contract Accounting and Reporting**

This alternative is strongly favored and endorsed by the advisors both to the ASP as well as the Treasury Department at the MoF.

The salient features for recording and reporting in an Excel-based environment relies on construction of a database based on the parameters specified in the terms of reference for the FMS development and inclusion of other ancillary information. A pivot table then is constructed

on the database that would allow preparation of reports, diagrams and charts specifically tailored to the needs of different stakeholders as listed above.

## **2.2      Option 2:            Establishment of a Fully Functioning Finance and Procurement Department**

Based on the (i) discussions and interviews that were held with the officials of the ASP (PMU), advisors at the MoF, and officials of the donors and partners in development, (ii) review of the available documentation, and (iii) evaluation of the existing situation in the finance and Procurement Department at ASP (PMU), we have concluded that for the establishment of a fully functioning finance and procurement department, there is a need to address a number of priorities. These priorities are listed below. The following list is neither complete nor exhaustive. A number of activities are already underway or completed with respect to the priorities listed below. The list below is prepared in an attempt to provide a comprehensive basis for achievement of a fully functioning Finance and Procurement Department.

### **Priority 1:Strengthening Human Resources Management**

- 1.1    Provide support to the PMU in filling staff positions in the Finance and Procurement Department, and
- 1.2    Implement human resources policies, procedures and processes that conform to those of the Civil Service Commission (CSC) of Afghanistan.

### **Priority 2:Providing Financial Management Support on:**

- 2.1    Budget preparation (for the preparation of Development Budget, Project Budget, and Project Cost Tables), and budget execution and control;
- 2.2    Accounting policies and procedures (encompassing: (i) Government Accounting, (ii) Project and Contract Accounting, and (iii) Fund Accounting) Advise the ASP (PMU) on Implementation and development of comprehensive policies, procedures and practices for financial management and procurement activities;
- 2.3    Recording and financial management reporting (preparation of reports for the: (i) MoF and other governmental entities, (ii) Inter-ministerial Task Force and the ASP (PMU) management, and (iii) current and potential donors and partners in development. Development of an Accounting and Financial Management Information System that **corresponds to the existing ToR, under Option 1;** and
- 2.4    Training the staff of the Finance and Procurement Department.

### **Priority 3:Internal Audit Department (IAD)**

Initiate introduction of an IAD at the ASP (PMU).

### **Priority 4:External Audits**



Initiate arrangements for performance of external audits, (i) as required by the laws of Afghanistan, and (ii) in line with the requirements and covenants of the donors' grant agreements.

### **Priority 5: Project Management and Contract Management**

- 5.1 Advise the ASP (PMU) in the development of procedures for regular Monitoring and Evaluation (M&E) of the progress and completion of the projects, and
- 5.2 Provide technical assistance to the PMU in development and implementation of Project Implementation Plan (PIP), in line with the requirements of the donors.

### **Priority 6: Provide assistance to the ASP (PMU) in the development of Manuals:**

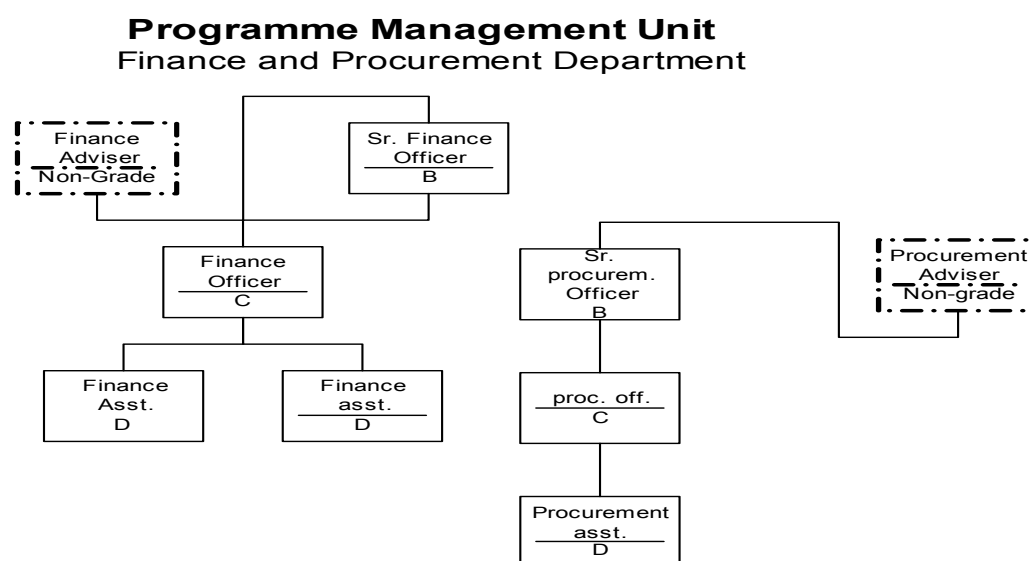
- 6.1 For continuous training in FM and procurement, in line with the strategy for training and capacity building, and
- 6.2 For monitoring and evaluation (M&E) of the projects.

#### **2.2.1 Scope of work for the proposed activities under Option 2**

To address each of the above priorities, the proposed Scope of Work (SOW) for each priority is briefly described in the table further below of the Proposed Action Plan.

#### **2.2.2 Staffing**

The existing organization chart for the Finance and Procurement Department is shown below.



None of the permanent positions in the Finance and Procurement Department are currently filled. The Financial Advisor has supported the PMU in its effort for the appointment of a Chief

Financial Officer (CFO)--previously Senior Finance Officer. The Financial Advisor reviewed the resume of 17 respondents to an announcement for that position, prepared a shortlist of candidates for interview, developed interview questions and participated in the interviews. The interview committee considered that the Vacancy Announcement for the position that was posted in April/May 04 did not fully reflect the CSC rules and regulations, and therefore the process for future appointments needs to be strengthened to comply with the rules and regulations of the CSC. It was recommended that the process for the appointment of the CFO should be launched again and that the current process should be considered null and void. The Financial Advisor was requested to draft a Vacancy Announcement for the CFO position. It is expected that the process for the appointment of the CFO will start again as soon as possible. As can be inferred from the priorities listed above, having a CFO on board is imperative to the functioning of the Finance and Procurement Department.

The primary activities under Priority 1 would be to (i) fill the vacant positions, and (ii) define responsibilities, functions and duties of the staff of the Finance and Procurement Department.

## **2.3 Conclusions and Recommendations**

### **2.3.1 Implementation of Option 1 as compared to selection of Option 2**

Implementation of the existing ToR would result in the development of an Excel-based software program that will allow recording and reporting of accounting activities. Installation of an accounting system is an essential component of a fully functioning finance department. However, it is essential to ensure that (i) the system is used in line with the procedures for its proper operation and (ii) compliance controls are in place so that the intended objective for its introduction can be achieved. To achieve the objective, it is imperative to provide for such an environment in the ASP (PMU). This environment is not currently in place.

In addition, for proper operation of financial software systems there are a host of software-specific rules and regulations that are designed to ensure that the integrity of information is maintained. These regulations need to be strictly complied with. In financial management, maintenance of integrity of information goes to the very root of recording of accounting information. In the circumstances that the software system is not designed to better ensure the integrity of information, existence of an effective control environment is indisputable. Excel-based software is very functional and relatively easy to use, but does not provide a high level of security, and thus the integrity of data can be compromised inadvertently or willfully. To better provide for an effective control environment to reduce the likelihood that the integrity of the data be compromised, there is a need at a minimum to ensure that:

- The staff be trained and be familiar with the rules and regulations for both accounting and use of the software, and
- The accounting procedures are in place and operational (elements of an effective control environment).

These conditions are not fully in place yet and should be considered as priorities. Option 2 prioritizes the activities that need to be undertaken to ensure that the software system would attain its intended objective. These priorities can be carried out simultaneously and be synchronized to ensure that they are achieved in a timely and cost-effective manner. The facts on

the ground also support this prioritization. The Financial Advisor has been busy since arrival in dealing with hiring issues that are outside the existing ToR.

#### **2.4     Proposed Action Plan Under Option 2**

Please see separate file.

#### **2.5     Draft Work Plan for Financial Management Arrangements**

Please see separate file.

## **Afghanistan Stabilization Program**

### **Sub-Program: Training Strategy Paper**

#### **PART I: Approach**

##### **Overview**

This draft paper outlines a preliminary strategy to support the Afghanistan Stabilization Program's (ASP) Sub-Program 2: Training. It is intended to serve as a departure point for discussion and comment by national and international stakeholders collaborating on ASP training and capacity building initiatives.

Over the next three years, the primary objective of the sub-program is to accelerate reform; recruitment and training at the subnational (provincial and district) level and to provide a range of public administration based training to officials in all districts and provinces. This initiative complements and strengthens the national government's efforts to re-establish a competent, efficient civil service sector, in tandem with the Priority Reform and Restructuring (PRR) process. By linking ASP training with the PRR process—recognizing that PRR is a process to be promoted, not imposed—redundancies in capacity building efforts will be minimized.

A secondary objective of the training component is to strengthen the in-house capacity of the ASP Program Management Unit (PMU) and related departments of the central government (e.g. IARCSC, Ministry of Interior, etc.) to provide sustained guidance and direction regarding long-term training and human resource capacity development for the life of the program. Specific to the internal aspects of the ASP, the ASP training and administrative reform programs need to be well coupled, as they are integrally linked and together form the critical “software” side of the ASP.

The focus of the training initiative is on people—to provide necessary public administration tools to civil servants that serve as the interface between central government and the subnational or community level. To provide these tools, the ASP must accelerate training activities to catch-up and overtake existing ASP District Infrastructure (DI) initiatives so that proposed buildings and administrative complexes can be adequately staffed with trained and competent civil servants.

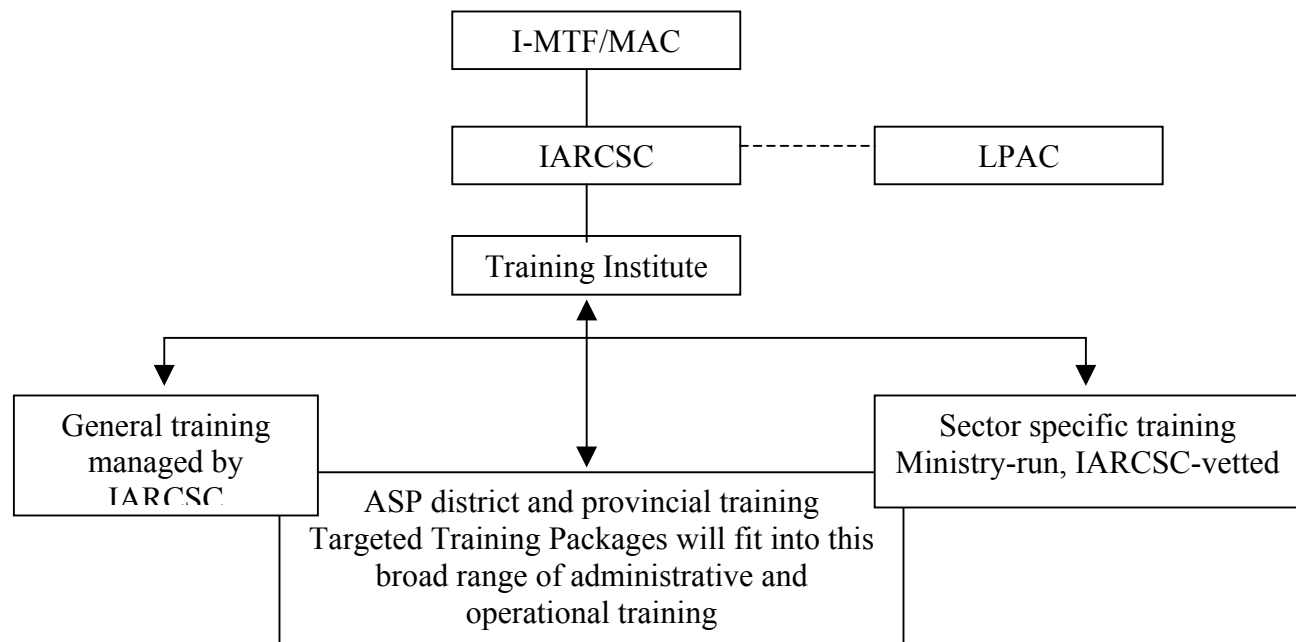
##### **Strategic Approach**

Working with the IARCSC and the IARCSC Training Institute, the ASP Training and Capacity Building Department will create the necessary linkages between government institutions and the ASP to accelerate development and delivery of public administration based training programs at the subnational level.

To facilitate this cooperation among various national institutions, it is suggested that the LPAC provide strategic vision for training design. The ASP training team will work closely with this

consultative committee to establish the features of the ASP training project in parallel with the IARCSC strategies.

The broad architecture of this proposed collaboration of the ASP, IARCSC and the IARCSC Training Institute is anticipated to be along the following lines:



While each entity within this architecture operates independently, close collaboration will be critical to the success of training initiatives. Moreover, the maintenance of proposed linkages between stakeholders, through the existing LPAC members and proposed working group, along with ongoing informational updates, including regular meetings, is key to the success of this strategy.

Within this architecture, ultimate executive authority lies within the Ministerial Advisory Council on Public Administration Reform and Economic Management (MAC). Therefore, all training initiatives will be coordinated and guided through the MAC and by operational extension, the IARCSC.

The Training Institute, under the direction of the IARCSC, has a nation-wide mandate to design and develop public administration policy and training. Work is currently underway to develop the policy supporting the establishment of the Training Institute and the curricula it will implement. The expected outcome is a policy that will define the national training framework and the responsibilities of different institutions for implementation of that training framework.

## ASP

At the provincial and district levels, the following proposals are offered in order to jump-start the ASP training initiatives in lock-step with proposed or completed DI sequencing. An emphasis must be placed on preparation and completed training packages offered to administrative staff

slated for DI slots. Teams must be sent to identify existing facilities, or alternative venues for training before DI buildings are completed.

Decisions made to select 8-10 key administrative staff, representing key functions and ministries within the proposed district complex, to receive generic training packages. These packages would be developed in co-ordination with participating ministries with the expectation that prior training programs and templates will be shared as to not “re-invent the wheel.” This can be facilitated by the creation of an informal group to co-ordinate training efforts, or by a more formalized training team.

In addition to the proposed provincial support to the governors’ office, there must be a viable ASP presence within the district complex created. This office, possibly staffed by an ASP Coordinating Officer, would provide guidance on ASP related issues, identify training and capacity building needs and could serve as a mechanism for monitoring and evaluation of the DI for donor purposes. Ideally, this would be a lateral entry position of temporary nature, up to 2 years; however, practicality is contingent upon further review.

What is needed for the rapid and effective implementation of ASP Training sub program, are more physical and human resources. In addition to the proposed core staff within the ASP (Training Manager and 2 Training Officers) a team of at least 5 more staff are needed to “jump-start” the development, piloting and evaluation of the proposed training set forth in this document. The need for additional staff may be identified and funded in the future.

## **PART II: Related Activities**

### **Basic Need-Assessments**

Recognizing that a comprehensive nationwide training needs assessment is required by the IARCSC and Training Institute at a later date, to energize the ASP’s initiative, two quick and basic need-assessments will be conducted. The first one will measure the capacity of provincial and district civil service sectors, and the second will identify and assess the capacity of potential in-country contractors to deliver training packages.

A general review of existing knowledge about needs in provinces and districts may be required; this should not be a resource-or time-intensive process as much is already known about needs. This should be swiftly translated into a clearly articulated set of provisional training “targets” and an outline of provisional training to be provided.

Sources of material include needs-assessments completed by organizations and contractors, USAID, Bearing Point, Ministry of Finance and others, as a departure point for designing appropriate survey tools that incorporate methodologies consistent with IARCSC policy. Additionally, valuable information might be pulled from the “National Report: An Assessment of Provincial and District Governance,” a white paper submitted at the national executive level.

### **Illustrative Training Packages**

The ASP’s Training sub program proposes a flexible approach be taken in respect to training delivery. Two immediate options to consider are:



- Contract Afghan organizations to deliver an approved range of training packages at the subnational level, and
- Work closely with appropriate partners, to use existing resources and expertise, i.e. trainers, venues, coursework, etc., to conduct training classes where appropriate.

Training is also intended to link closely with the ASP administrative reform project and is likely to deliver materials related to administrative reform as part of the training package. The training packages will be developed in line with, but not dependent upon, policies currently being developed by the Independent Administrative Reform and Civil Service Commission (IARCSC) and the IARCSC Training Institute.

Every effort will be made to sequence and co-ordinate this training with the rollout of overall ASP implementation plans: specifically, administrative reform, construction of district infrastructure and implementation of the PSF initiatives. Furthermore, to provide the most efficient and cost effective training possible, it is recommended that the overall ASP strategy strive to ensure training activities dovetail with PRR initiatives at the national and subnational levels.

Overall, the IARCSC and IARCSC Training Institute will establish governmental policy, covering generic administrative training to be offered through the Institute, and specialized sector-specific training to be vetted by the Institute but run by the relevant Ministries. ASP will contribute to some elements of this training, although ASP may develop training curricula before the central curricula and training materials are completed.

Ideally, the proposed training would occur after the introduction of the PRR process and attendant personnel changes. However, the critical need to implement ASP's subnational training program compels ASP to seek linking opportunities, but not to hold PRR as requisite criteria.

First level training would be basic and generic in nature, targeting less qualified civil servants. The training will focus on enhancing core capabilities and fundamental administrative skills (computers, project management, tenets of merit-based recruitment, basics of PRR process, code of ethics, basic administrative procedures, planned administrative reforms, etc).

Second, a more comprehensive training would be directed at key personnel and senior staff to develop their skills to perform mandated duties (management for Woloswals (District Administrators), accounting for MoF managers, technical refresher courses for MoR / MRRD / MoUDH engineers etc). The ASP will establish immediate mid-level training at subnational level within the overall context of the IARCSC Training Institute's national strategy. For example:

- Key managers in Governors' offices (deputies, etc) may benefit from project management, reporting and procurement training;
- Training in existing procurement and financial management rules would be beneficial;
- District training could utilize lateral entry to bring qualified personnel into districts.

An integrated training program that targets internal ASP PMU administrative, financial and procurement staff is proposed. The training will focus specifically on ASP PMU procedures, rules and regulations, updated periodically to ensure familiarity with administrative and financial

systems within respective departments. This could be as simple as quarterly workshops or more comprehensive monthly review during the start-up phases of ASP PMU operations.

Woloswals might benefit from an “kick-off” training intervention in Kabul for orientation to ASP. This teambuilding exercise will give the participants an opportunity to discuss and compare shared issues and concerns while building an overall understanding of ASP goals and objectives. It also presents an opportunity to shape a cohesiveness of purpose around the program.

Finally, in the mid-to-long-term time horizon, the ASP will investigate a broader range of training opportunities, i.e., advanced seminars and workshops in technical and administrative disciplines; and, once telecommunication facilities are fully operational. Finally within the provincial offices, long-distance learning courses.

### **Delivery of Training Packages**

Three inception approaches are presented for discussion:

1. The ASP can contract qualified training organizations to deliver approved training packages. Every effort will be made to employ Afghan service providers. Emphasis will be placed on the local service provider’s capacity, i.e., the ability to perform appropriate tasks effectively, efficiently, and sustainably throughout this activity.
2. Qualified contractors and NGOs capable of delivering the proposed packages will most likely emerge during initial need-assessments conducted by the team. Several possible training providers have already been identified. There remains the possibility that outside (out of country, Pakistan, Iran, India, etc.) training contractors will be required, depending on the capacity of local providers to deliver training classes and workshops.
3. Develop the capacity within the ASP, to train Master Trainers, civil servants and support staff to deliver mobile training workshops. This option both strengthens the capacity within the ASP, and presents a flexible approach for rural areas where physical and human resources are minimal.

Attention should be paid to the wealth of knowledge and experience at the nation’s fingertips: tenured civil servants. The use of this resource to conduct training not only reaffirms the value of these professionals; it reinforces value and dignity within the profession. This option can be used in tandem with option one as a cost-effective hybrid solution to national coverage for the ASP training program.

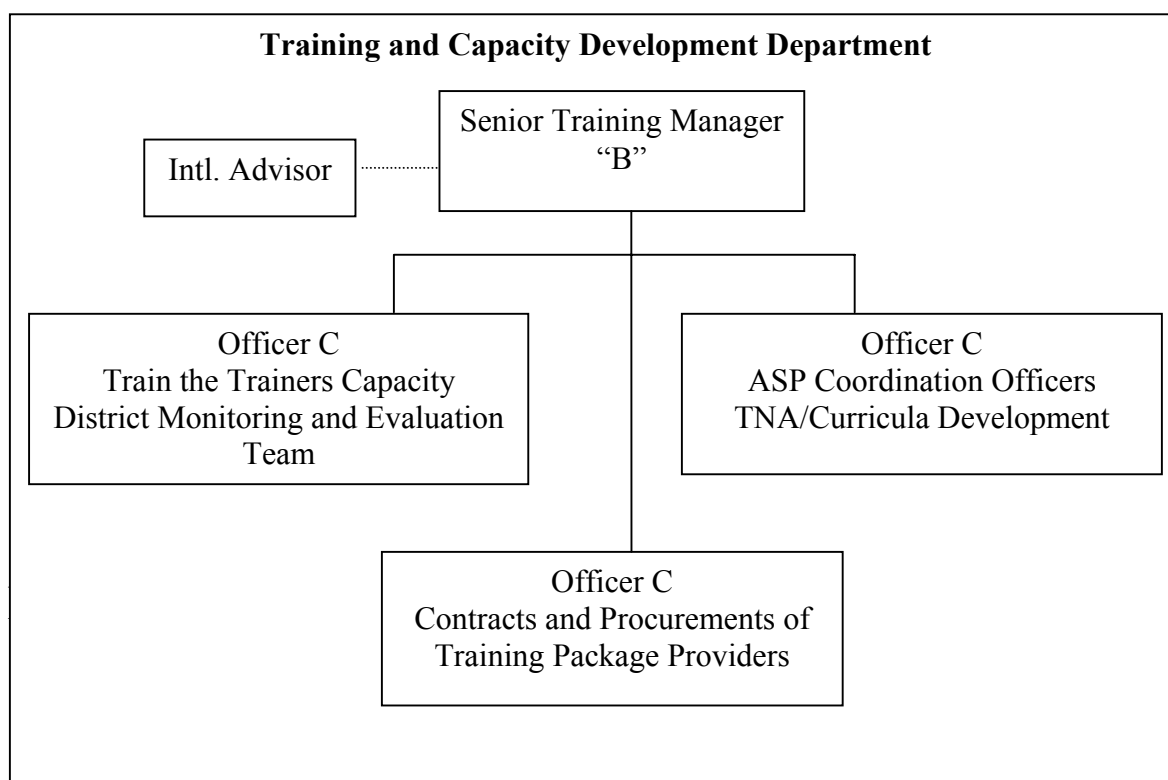
### **Budget**

The ASP has budgeted \$10,000USD per district and \$100,000USD per provincial center for training purposes. Let’s put this into context for what type of package can be delivered by what contractor or delivery provider.

## **Training and Capacity Building Dept. Team Structure**

The ASP Training and Capacity Building Department team will require, at a minimum, 3 full-time professional positions to manage and direct training and capacity building staff. These senior staff will include the Senior Training and Capacity Building Officer, a Monitoring and Evaluation Specialist, and a Civil Service/Public Administration Standards/Curriculum Specialist.

These three positions combined will provide the necessary leadership and expertise for an expanded training staff. This will create the necessary capacity within the ASP PMU to effectively develop, manage, implement and evaluate the discrete operational departments of the ASP.



## **District Sequencing Phased Approach**

The training component must overtake, and lead the rollout and sequencing of the ASP district infrastructure's building or renovation schedule. As ASP's district infrastructure projects place bricks and mortar on the ground throughout 358 district and 34 provincial centers, the ASP's training and capacity development priorities must be to provide staff when offices are operational. Effective implementation, cross-organizational co-ordination, and non-redundancy in effort will ensure trained administrators are ready when the door open.

The district infrastructure projected output will include 157 districts in the first phase of ASP (including 6 districts of a pilot project) for implementation during 1383-4, and the remaining 199 districts to be implemented in Phase II over 1384-5. Presently, the first 64 districts in Phase I are

fully funded, with funding to be sought to commence work on the remaining 94 to follow suit over the course of 1383.

Provincial stabilization fund (PSF) rollout is not envisaged in phases. Rather, PSF will be introduced to all 34 provinces in the year 1383. This emphasizes the need for immediate managerial and financial training at the senior levels of subnational government.

It is the intent of the training and capacity development programs to co-ordinate its program to march lockstep with the district infrastructure and PSF programs.

### **Selection Process and Sequencing Model**

During preparation of the district infrastructure implementation phase, a number of different factors were considered related to project sequencing. Those factors addressed issues such as security, stability, political considerations, ethnicity and spatial distribution across Afghanistan. The selection process and sequencing for training and capacity development should complement, but not depend on, the rollout of district infrastructure administrative complexes. Training, and the delivery of training packages, must be based on immediate needs and value for money.

### **Selection Criteria for Training**

Two key selection criteria were utilized to select the first 64 districts:

1. Presence of local service provider and critical mass of trainees. Districts with existing infrastructure are, of course desirable, but not absolutely necessary. Data are drawn from detailed ASP/ MoI survey undertaken over the last 2 years and ASP/IARCSC projected staffing figures will assist in locating targeted provincial centers and districts for training where large numbers of civil servants can be trained in a cost-effective fashion.
2. Presence of Priority Reform and Restructure (PRR): Provinces where PRR is being piloted are expected to have strengthened Government capacity sooner than others have. This is a stabilizing effect that may make ASP easier to implement and is consistent with ASP training mandates: collaboration with IARCSC. Data sourced from IARCSC.

Logically, there is a preference to begin training activities in districts where ASP training begins with a “clean slate.” The fewer barriers to implementation, i.e., entrenched functionaries, under-qualified officials, etc., work in the ASP’s favor and increase its ability to inculcate tenets of good governance.

## **Attachment III: ASP Pilot Training Project**

### **ASP Pilot Training Project**

#### **The Organization and Background:**

The Afghanistan Stabilization Program (ASP) embraces integrated governance and reconstruction efforts at the subnational level in lockstep with coordinated military, law and order, and disarmament operations. The goal is to bring together a range of plans and strategies to rebuild and stabilize the districts and provinces of Afghanistan, to improve security and governance across the country and to engender greater confidence in the capacity of the Government to improve the lives of people around the country. An integral component of this effort is the implementation of a targeted training program aimed at key subnational civil servants who will eventually staff ASP District Infrastructure (DI) complexes nationwide.

This initiative complements and strengthens the national government's efforts to re-establish a competent, efficient civil service sector in tandem with the Priority Reform and Restructuring (PRR) process. Over the next three years, the primary objective of the project is to accelerate reform; recruitment and training at the subnational level and to provide a range of public administration based training to officials in 363 districts and 34 provinces.

The focus of the training initiative is to provide civil servants with the necessary public administration tools to enable them to serve as an effective and efficient interface between central government and the subnational level. To provide these tools, the ASP must accelerate training and capacity building initiatives to catch-up and overtake existing ASP District Infrastructure (DI) and Provincial Stabilization Fund (PSF) initiatives so that proposed buildings and provincial projects can be staffed and managed in a timely manner by trained and competent civil servants.

#### **Sequencing, Needs-Assessment, Training Delivery:**

##### **Sequencing**

The Afghanistan: Rebuild, Reconnect, Reunite (ARRR) project, a precursor to the ASP, has provided a useful lesson in terms of practical implementation of infrastructure oriented implementation. ARRR selected districts from around the country, which ensured equitable distribution, but has made implementation more complex and expensive. While the same difficulties with respect to a pilot training project can be anticipated, in order to understand regional training strengths and weaknesses while gaining valuable on-ground experience, it is recommended that the same sequenced rollout be replicated.

ASP has gained valuable knowledge from the ARRR experience and, accordingly, will cluster groups of districts that are geographically close together for implementation (regions are based on UNAMA regions). Likewise, any final training rollout strategy should heed these experiences. Moreover, it is logical that this small-scale training program be simultaneously

piloted for review and evaluation while the overall ASP training strategies are firmed up and appropriately modified as needed.

The following table shows the proposed pilot project sequencing:

<b>Zone</b>	<b>Province</b>	<b>District</b>	<b>Training Provider</b>	<b>No. Participants</b>
North-East	Baghlan	Nahrin		
Central	Bamyan	Yakawlang		
South-East	Ghazni	Muqur		
Central	Logar	Muhammad Agha		
South-East	Paktya	Sayid Karam		
Central	Parwan	Ghorband		

### **Needs Assessment**

However, prior to any pilot training activities or curriculum design, it is essential that a rough Training Needs Assessment (TNA) be conducted in random districts and provinces to ascertain the real needs of Government institutions. The IARCSC, as well, has prioritized the necessity to identify the most urgent training needs of civil servants at the subnational level and to gather information about the challenges for the implementation of any proposed training strategy.

Anecdotal evidence points to a diverse range of competencies within the civil servant base. Considerations must be made to accommodate this spectrum, and therefore, the pilot is expected to launch a market basket of training programs in response to individual competencies and needs. For example, information provided by UNAMA training advisors offer the following assessment and recommend the following for the Kandahar region:

1. The training draft focuses on training in public administration and finance, however in addition to these sectors, technical departments have their own deficiencies in delivery of services: paramedics, teacher training, surveys and cost estimations, needs assessment, communication skills, water supply/power distribution. A strategy should be developed for these sectors as well.
2. As much as training is important, it is vital to identify the level of education of the target audience. Certain criteria for trainees should be developed and those without adequate educational background (we know about the problem of the pervasiveness of non-merit based appointments), should possibly not be attending the training. At the moment, most of those working in the government offices are not there because of competencies but for tribal and political reasons. The range of educational background of those officials is between 6<sup>th</sup> and 12<sup>th</sup> grade with only a few graduates.
3. Based on the wide knowledge gap, possibly medium term training programs need to be designed for a minimum of six to nine months duration. The overall training strategy should include an action plan stating which districts and provinces are targeted with what type of training, time line, and organization in charge to follow up program.

4. As in the case with each new program, certain challenges are to be expected; hence proposal is to have a first pilot training in the provincial center of each region and then branch out to other provinces and district.

Additional empirical and “on ground” evidence reveals that interventions at the subnational level must be well coordinated between different sectors of activity. Due to the integrated nature of the DI complexes, greater success can be anticipated where training programs are initiated simultaneously with both security and civilian personnel. Therefore, training design should incorporate police and public administration courses where appropriate in order to achieve economies of scale.

Finally, any proposed training program must be designed to achieve sought results in terms of a defined and well thought out implementation strategy. This includes an overall level of complexity that is aligned with the capacity and capabilities of subnational civil servants to absorb new concepts and operating procedures.

### **Training Delivery**

While the pilot TNA will provide the necessary base line information for design of training package curriculum, the delivery of training packages is a major consideration for national roll out. However, limited response to a call for expression of interests for training delivery contracts, indicates weak capacity in the training sector. This is corroborated by anecdotal and informal surveys. While there seems to be adequate training service providers for the proposed pilot training activities, questions remain as to the in-country capacity for a larger, geographically diverse initiative. Therefore, a creative and flexible approach must be taken in respect to training delivery.

Several approaches should be considered and possibly piloted in selected districts:

1. Training of Master Trainers that begin subnational training interventions at the provincial level, most likely through an orientation seminar or event at the provincial capital. This will allow for a presentation outlining the overall goals and objectives of the program. The trainer can then, depending on geographical limitations, begin a circuit of the province, delivering one on one intervention to targeted district officials over a months period. At the end of the month, a capstone event is offered in the provincial capital for training participants to gather again and exchange views and experiences. It will also offer the opportunity to monitor and evaluate the training program.
2. Training of Master Public Administrators, drawn from the ranks of serving civil servant. The rationale is to exploit the extensive and valuable experiential base of tenured administrators to train younger, newly employed junior cadres on the job. Experienced administrators should receive comprehensive training and additional stipends for service. This mentoring option offers a built-in knowledge base to utilize an existing capacity in a cost-effective fashion.
3. The creation of a NGO or private sector-based consortium of training organizations or independent union to conduct the coursework. There exists a cadre of approximately 1500 trained trainers previously employed by the UN and various other organizations who are well

versed in human rights and constitutional training and are now unemployed. This represents a possibility of creating a for-profit Training Organization that can provide the necessary human resources needed to conduct nation wide training.

4. Ministry-led consortium of fully integrated training courses held at appropriate government supplied venues across the province. This option would reinforce the collaborative aspect and ministerial cooperation across all sectors in district and provinces to increase chances of successful execution of the NPP.
5. Creation of an independent training unit or cell within the ASP to train the trainers. The ASP has proposed that an integrated training program that targets internal ASP PMU administrative, financial and procurement staff will be developed, in tandem with other capacity building and training initiatives. This training will include an ongoing review of ASP PMU procedures, rules and regulations, updated periodically, to ensure all PMU personnel are familiar with administrative and financial systems. Why not enlarge this unit to establish a permanent Master Trainer capacity for mobilization throughout the subnational level.
6. Subcontracting all training activities to outside organizations from Pakistan, Iran or India. This “south-to-south” training may prove cost effective in the delivery of upper management and senior civil servant training.

#### **Criteria for Contractor Selection and Training Standards:**

Selected training delivery contractors are expected to provide a level of service that sets the standard for civil service training throughout the sector. This assumes a rigorous selection process and criteria on expectation of how delivery occurs. The ideal modality is one that values an interactive model based on local context and circumstances.

Furthermore, keen attention must be paid to monitoring and evaluation of contractors during the piloting period to ensure consistency and quality. Development of an M&E tool is essential. This may fall upon an internal unit (yet to be created) of the training department responsible for the ongoing monitoring and evaluation of all training activities.

Parallel to the M&E issues, is the monitoring of attendance by training participants. Careful consideration must be made to allow for instances that require special arrangements for release from work; a stipend or allowance for attendance; or scheduling courses and class work at times that are not in conflict with working hours.

#### **Role and purpose of involvement of IARCSC in the pilot project:**

The Independent Administrative Reform and Civil Service Commission is formally responsible for appointing senior civil servants based on merit, and for designing, organizing, leading, and implementing the overall reform program aimed at efficient public administration. The Commission is just getting started and the challenges are enormous. In the immediate term, ASP will facilitate targeted reform and restructuring efforts. ASP will coordinate disparate training efforts being carried out by line ministries, donors and NGOs, as well as formulate plans and deliver rapid training of subnational staff. Coordination of the near term training functions with

the longer-term objectives and the free flow of training and curricula related information of the Civil Service Commission is essential.

For example, the recently initiated Leadership Development Program by the Training and Development Department of IARCSC presents an ideal opportunity for exploitation of synergies within ASP's training initiatives and IARCSC's reform agenda. The project is being supported under technical assistance provided by UNDP, and is a keystone component of UNDP's technical assistance to the IARCSC. The formulation of a Leadership Development Program is intended to re-establish a small, modern, competent and efficient civil service. The Program will offer professional development, through training and other development options, to senior civil servants throughout the GoA with a view to enhancing their leadership and management skills.

### **Evaluation processes used and aim of evaluation:**

The main evaluation methodology for the ASP pilot's effectiveness will be indicators that measure the impact of the test-training program while assessing the design, content and usage of proposed training packages. It is also expected that the training of trainers will have positive implications and influences as a whole on the ASP, and more specifically the PMU, and so organizational performance should also be considered a factor. The objective of this project's evaluation is to suggest indicators in order to assess the impact of the training (of trainers?) to enable the pilot to develop into a nationwide program.

Monitoring and evaluation of performance will be an ongoing, collaborative process with the participation of the Government of Afghanistan, ASP, IARCSC, other partners and concerned parties. A comprehensive monitoring and evaluation plan will be an integral and critical part of this activity. The monitoring and evaluation plan should include targets, benchmarks, data sources and collection methods.

Due to the compressed nature of the pilot project, it is anticipated that data will be collected on a monthly basis and reported every three months.

The monitoring and evaluation plan should be two-tiered and include:

1. Measures (desegregated by gender when appropriate) of overall impact of the activities carried out under the pilot project implementation plan; and,
2. Measures of what is happening in subnational governance that are not necessarily related to contracted activities, i.e., unintended impacts or externalities.

The monitoring and evaluation plan is expected to provide essential benchmarks of performance for review on a continual basis, to facilitate appropriate modifications of the ASP national training strategy implementation to achieve intended objectives.